



# California Workforce Investment Board Agenda Packet



**Thursday**  
**February 17, 2005**  
**10:00 a.m. – 4:00 p.m.**

*California State Association of Counties*  
*1020 11<sup>th</sup> Street, 2<sup>nd</sup> Floor*  
*Sacramento, California*



# CALIFORNIA WORKFORCE INVESTMENT BOARD

## MEETING NOTICE

California State Association of Counties  
1020 11<sup>th</sup> Street, Second Floor  
Sacramento, CA 95814



Lawrence Gotlieb  
Chairman

**Thursday, February 17, 2005**  
**10:00 a.m. – 4:00 p.m.**

Arnold Schwarzenegger  
Governor

Christine Essel  
Vice Chair

Stated time of meeting conclusion is approximate; meeting may end earlier subject to completion of agenda items and/or approved motion to adjourn.

Paul Gussman  
Acting Executive Director

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### AGENDA

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#### WELCOME AND OPENING REMARKS

- Larry Gotlieb, Chair
- Paul Gussman, Acting Executive Director
- Patrick Henning, Director, EDD
- Richard Trigg, Region 6 Administrator, U. S. Department of Labor

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#### CALIFORNIA WORKFORCE INVESTMENT BOARD 2005 ACTION PLAN

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#### OTHER BUSINESS THAT MAY COME BEFORE THE BOARD

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In order for the Board to provide an opportunity for interested parties to speak at the public hearings, public comment may be limited. Written comments provided to the California Workforce Investment Board must be made available to the public, in compliance with the Bagley-Keene Open Meeting Act, §11125.1, with copies available in sufficient supply.

Individuals who require accommodations for their disabilities (including interpreters and alternate formats) are requested to contact the California Workforce Investment Board staff at (916) 324-3425 at least five days prior to the meeting. TTY line: (916) 324-6523. Please visit the California Workforce Investment Board website at <http://www.calwia.org> or contact Teresa Gonzales for additional information.

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## **Welcome and Opening Remarks**

- **Larry Gotlieb, Chair**
- **Paul Gussman, Acting Executive Director**
- **Patrick Henning, Executive Director, EDD**
- **Richard Trigg, Region 6 Administrator, U.S. Department of Labor**

**California Workforce Investment Board  
September 29, 2004  
Meeting Summary**

On September 29, 2004, the California Workforce Investment Board (State Board) met at the Dolce Hayes Mansion in San Jose, California. The following persons were in attendance:

Lawrence Gotlieb, Chair  
Norris Bishton  
Kenneth Burt  
Jerry Butkiewicz  
Mark Drummond  
William Ellerbee (designee for Jack O'Connell)  
Jaime Fall (designee for Victoria Bradshaw)  
Kirk Lindsey  
Francis Low (designee for Richard Alarcon)  
Richard Mendlin  
Kenneth Merchant  
Kathleen Milnes  
Elvin Moon  
Patti Nunn (designee for Miguel Pulido)  
Rona Sherriff (designee for Wesley Chesbro)  
David Sickler  
David Villarino

The following persons participated by telephone:

Robert Levy  
Pete Parra  
Robert Pike  
Jan Vogel (designee for Jerome Horton)

**Staff Members, State Board**

Paul Gussman, Acting Executive Director  
David Illig  
David Militzer

**Welcome and Opening Remarks**

Chair Lawrence Gotlieb called the meeting to order. He expressed gratitude to the San Jose Local Workforce Investment Board for hosting the meeting at the Dolce Hayes Mansion and, on behalf of the State Board, expressed appreciation for the warm and gracious reception the evening before. Mr. Gotlieb also thanked the audience for taking time out of their schedules and asked any members of the public desiring to speak to sign up with staff.

Mr. Gotlieb noted that there were many action items on the agenda and announced the presence of a quorum. He also stated that there would be special presentations on the critical role of the California Community Colleges in economic and workforce development, the challenges of the changing San Jose/Silicon Valley economy, and the State Youth Council.

Mr. Gotlieb invited Mr. Jack Estill, Chair of the San Jose/Silicon Valley Local Workforce Investment Board, to briefly address the State Board on conditions in the Local Area and the experiences of the Local Board in addressing various issues. Mr. Estill encouraged the State Board to collaborate more with local boards using the rationale that local boards are to serve the public as well as the State Board.

Mr. Gotlieb then gave a brief summary of the State Board Administrative Committee's first meeting in Los Angeles earlier in September. In addition to Mr. Gotlieb, the Administrative Committee includes Labor Agency Secretary Victoria Bradshaw, and State Board members Chris Essel, Norris Bishton, T. Warren Jackson, Mark Drummond, Art Pulaski, Kirk Lindsey and Barry Sedlik, representing Business, Transportation and Housing Agency Secretary Sunne Wright McPeak. Mr. Jaime Fall, Labor Agency Deputy Director, represented Ms. Bradshaw at the State Board meeting; and Mr. Gotlieb invited him to speak.

Mr. Fall provided an overview of the Governor's California Performance Review (CPR), which has been of interest not only to the Labor Agency, but also to many of the audience members present. Mr. Fall noted that the CPR developed over 1,000 recommendations with the potential to save as much as \$32 billion over five years. Mr. Fall noted that a CPR Commission had also been established to obtain public input in a series of statewide hearings. Since several of the CPR recommendations bore directly on the Labor Agency's operations, the Agency also conducted its own set of hearings, which were attended by 230 people and received 802 written and 55 spoken comments. Agency staff is reviewing and analyzing all follow-up material for the Governor's Office, which will take this public comment into account along with other testimony received.

On specific CPR recommendations, Mr. Fall noted the following:

- a. The Labor Agency doesn't know if any administrative savings would result from decreasing the number of Local Workforce Investment Boards, as recommended in "GG-23." The Agency will work with Local Boards and the State Board to examine what the right number of local boards might be and what, if any, other cost saving measures might be taken to facilitate additional services and training.
- b. The CPR has been hard work and has raised issues that otherwise might never have come to light; there is now some interest in looking at how we would do things if we were to start again from scratch.
- c. The Labor Agency wants to invite the State Board and Local Boards to a series of forums on the issues. WIA reauthorization is also going to come up in the next Congress, not in the current one. Mr. Fall concluded that we want to work with

California's congressional delegation to get what we want in the new federal legislation.

Discussion ensued as to the CPR Commission's role in bringing feedback to the Governor's Office. Mr. Paul Gussman, Acting Executive Director to the State Board, described the CPR process as a very fluid one. The recommendations are all very different. Some can be done right away; others require more analysis before we can understand the right direction to take. We might need first to deal with the issues surrounding reorganization. There needs to be more communication with the Local Workforce Investment Areas.

Mr. Gussman noted that a new level of discussion is occurring with the U.S. Department of Labor (DOL) relative to industry clusters. These clusters include the hospitality industry, construction trades, retail sales, and others. Mr. Gussman also noted that the State Board staff was attempting to bring in diverse funding and had submitted applications to both the DOL and the Kennedy School at Harvard to help support the Youth Council Institute (YCi). He also mentioned the grant the State Board received from DOL's Office of Disability Employment Policy (ODEP) to serve youth with disabilities. State Board staff worked in partnership with the Employment Development Department (EDD) to review applications and to fund projects under the grant.

Mr. Gussman then praised the coordination between State Board staff and EDD, commenting on the supportive relationship with former EDD Acting Director Herb Schultz and Deputy Director Sally McKeag. State Board staff also received applications for 2002-03 local and regional incentive awards under WIA Section 134 and was coordinating with EDD on making recommendations. The future process for 2003-04 incentive funding would be similarly coordinated. Mr. Gussman also pointed out that there were plans underway for another collaborative effort, whereby the State Board's spring 2005 meeting would be held in conjunction with the California Workforce Association (CWA) Spring Conference in San Diego.

At this point, Mr. Gussman introduced representatives of the California Workforce Association (CWA) and asked them to make their report. Virginia Hamilton, CWA Executive Director, in turn introduced Mike Gallo, Chair of CWA's Executive Committee, Chair of the San Bernardino County LWIB, and President of the San Bernardino Chamber of Commerce.

### **Presentation of Virginia Hamilton and Mike Gallo of CWA**

Mr. Gallo said that the emphasis in the important issue of workforce development has shifted from social program to economic development. Serving businesses and employers has become the greatest priority. The CPR report missed a lot of the importance of what workforce development does. To try to help out, CWA gave the CPR a proposal for evaluating "Return on Investment" (ROI) within the workforce community. Mr. Gallo stated the need for answering the questions and providing rebuttals directly. "We need to have our own effectiveness report." WIA does not measure all that the Local Areas do right now—only about 5 percent of it. The

“Core-A” measures are not included, and workforce professionals need to start including this data and telling the entire story.

Ms. Hamilton stated that we need the participation of Local Board chairs in evaluating our program. The value of workforce development is more credible than what the bureaucrats measure. CWA meets once a quarter with Local Board chairs, and has found that they want a better model and measures that matter.

James Crettol said he would like to see more presentations at State Board meetings as to what is occurring in Local Areas in light of significant cutbacks. Patti Nunn agreed. In her area, Santa Ana, the question is “What is the effect of the efficiency?” “We need a statewide report that says what we do,” Ms. Nunn said.

Kirk Lindsey commented that Stanislaus County had embarked on a “Return on Investment (ROI)” strategy; he moved that staff be directed to allocate resources for this effort. Mr. Gotlieb responded that this is a complex issue; rather than Mr. Lindsey’s motion, the issue should be referred to the Administrative Committee to develop a framework for discussion at a future State Board meeting. This suggestion was expedited and the motion withdrawn.

Mr. Gotlieb introduced David Villarino, representing the United Farm Workers and the FIELD program, and asked him to report on the outcomes of three national farmworker meetings on the integration of services into WIA, in which Mr. Villarino was involved.

### **Presentation by David Villarino**

Mr. Villarino stated that FIELD was contracted to facilitate these dialogues, which took place in San Antonio, Texas; Philadelphia, Pennsylvania; and Sacramento. Practitioners were asked to share their experiences and discuss ways of engaging agricultural communities through the Local Boards. Mr. Villarino said that more representatives of the National Migrant Seasonal Farmworker Jobs (“167”) program were needed. Mr. Villarino summarized the conclusions of the forums regarding farmworker issues as follows:

- More training opportunities should be developed, as opposed to core and intensive services;
- Changes are needed to the current perception that the agricultural employment sector does not offer significant earnings;
- Typical workforce programs don’t adequately serve farmworkers;
- Additional partnerships across multiple sectors are needed;
- Analysis is needed of those areas of the economy where workers are lost to retirement; and
- No answers will be forthcoming without a pilot for preparing hard-to-serve workers for the economies of the future.

### **Approval of State Board Meeting Minutes for May 18, 2004.**

Mr. Gotlieb requested approval of the minutes of the May 18, 2004, State Board meeting. The minutes were unanimously approved.

Mr. Gotlieb commented on the importance of the topics covered during the opening portion of today's meeting and stated that it was now time to deal with the action items on the agenda. Because people had been invited to speak on some of them, these action items were taken up first rather than following the order of the agenda.

### **Approval of California's 2004-05 Workforce Information Grant Plan.**

Tim Taormino and Bonnie Graybill of the EDD Labor Market Information Division (LMID) made a brief presentation on the 2004-05 Workforce Investment Grant (WIG) plan and the new LMID Web site. The deadline for submitting the WIG plan to the U.S. Department of Labor (DOL) has been extended. Mr. Taormino said the WIG application must go to DOL to ensure the receipt of funds for conducting this analysis. Mr. Gotlieb noted that he had already signed a letter to go with the application and that the action requested of the State Board is to approve the letter.

Mark Drummond moved, seconded by Patti Nunn, that the letter be approved. The motion passed unanimously.

### **Progress Report on Modifications to Local Areas**

Patti Nunn reported that the Local Area Modification Work Group would be meeting in the near future, as the State Board did not have a process to address this issue in the past. The work group was formed to include representation from urban and rural areas, small and large counties, etc. Ms. Nunn stated the group would come back to the State Board with a recommendation only for looking at modification of Workforce Investment Area boundaries. Jan Vogel, participating by telephone, noted that a policy is needed so that the State Board won't be in an awkward position when requests of this nature are received. Ms. Nunn said staff would evaluate such requests on a case-by-case basis, and that the State Board's role will be to make a recommendation to the Governor.

### **California's WIA Title 1-B 2003-04 Annual Report**

David Militzer pointed out that the DOL requires the state to report annually on WIA program activity. The 2003-04 Annual Report (a draft of which was provided to State Board members) shows significant progress in state and local initiatives and cost information. The report has three major sections. (1) Chapter 2 summarizes such State Board initiatives as the Regional Economies Project and the WIA evaluation effort; (2) Chapters 3 through 5 summarize the workforce priorities of Governor Schwarzenegger's administration: high-growth and high-wage jobs, statewide industrial needs, and decreasing barriers to individuals with special needs; and (3) Chapter 6 details program outcomes, financial data, and state and local response to reductions in system resources. The report shows that, in adult measures, California met or exceeded standards during 2003-04 in all but two areas: wage increases and dislocated worker earnings replacement. In youth measures, all standards were exceeded.



Mr. Villarino asked if the Annual Report could include an addendum as to some targeted industries needing to be strengthened. He also commented that seasonal industries need to be addressed. Mr. Gussman stated that the State Board should not delay submission because the Annual Report is due to DOL by October 1; he pointed out that amendments could be added later.

There was a discussion as to which State Board members got their copy of the report on what dates, with Mr. Gussman saying he was under the impression that all members had the opportunity to read it well ahead of the meeting. Rona Sherriff stated she wanted the numbers on the charts as well as the percentages. Some members said page 42 was missing from their copy. Mr. Gussman said that staff would follow up on everyone's suggestions, but that the State Board's approval of the Annual Report is needed so that it may be sent to DOL in a timely manner.

Mr. Lindsey moved, seconded by Ms. Nunn, that the Annual Report be approved. The motion passed unanimously.

Mr. Gotlieb then noted it was time to break for lunch, and that after the break, the State Board would hear Item 7 on the agenda, the presentation by Local Boards.

### **Local Boards' Presentation: City of San Jose/Silicon Valley and NOVA**

The following representatives of the City of San Jose and the NOVA Workforce Investment Board participated in a panel discussion on the regional economy and challenges to some effective program strategies:

- Paul Krutko, Director, City of San Jose Office of Economic Development
- John Estill, Chair, San Jose/Silicon Valley Workforce Investment Board
- Jeff Ruster, Director, San Jose/Silicon Valley Workforce Investment Network
- Mike Curran, Executive Director, North Valley (NOVA) Job Training Consortium.

### **Recertification of Local Workforce Investment Boards**

Mr. Militzer and Jane Canty of the State Board staff spoke on the recertification process. Mr. Militzer reviewed the recommendation to recertify all 50 Local Boards in California. He explained that WIA calls for recertifying Local Boards once every two years based on composition, and the ensuing discussion clarified the rationale behind, and the reasons for, recertification. State Board staff will also assist EDD in notifying local areas of the need to expedite their ongoing recruitment efforts to fill board vacancies.

Mr. Crettol moved, seconded by Ms. Nunn, to recertify all Local Workforce Investment Boards in California. The motion passed unanimously.

### **Presentation: California Community Colleges—Economic and Workforce Development Program**

Mark Drummond introduced Kay Ferrier, Dean of Economic and Workforce Development for the California Community Colleges, to address the Board about her program. The program started in the mid-1980s and complements local workforce efforts with a richly varied array of services. It has three major components: (1) business development; (2) technology development; and (3) workforce development. It also provides funding for small business centers throughout the state.

Ms. Ferrier stated that initiatives have grown in her program to include workplace learning resource centers, advanced transportation centers, multimedia entertainment centers, biotech centers, and centers of excellence for business and workforce performance improvement. In 2002-03, the program logged 317,607 hours of business technical assistance, serving 90,000 incumbent workers and 97,000 students, and developing 700 new courses. The program is evaluated at several levels: internal review, reviews based on Franchise Tax Board records, and strategic reviews, for which Ms. Ferrier expressed gratitude to the State Board's Regional Economies Project. She also listed areas for future development: (1) reconciling short-term and long-term objectives; (2) getting grantees to use the tracking system; (3) tracking employment results; and (4) tracking data for the annual report. Mr. Gotlieb asked if Ms. Ferrier thought her Return on Investment (ROI) system could work for the WIA system; she replied that there could be applicability, especially for in-depth services.

### **Progress Report: WIA Evaluation**

David Illig introduced David Campbell of UC Davis, chief consultant to the WIA evaluation project. Mr. Illig praised Mr. Campbell's long experience evaluating Welfare-to-Work (WTW) and other workforce and community development initiatives.

Mr. Campbell stated that it is too soon to see evaluation results, but the plan is based on two premises: the collaboration of many agencies and the use of comparative, local case studies. Mr. Campbell stated that local flexibility is California's strength, and the 50 Local Areas represent widely varying interests. Though the evaluation report is not due until April 2005, Mr. Campbell noted that he will offer interim reports, with the first one scheduled for release in November.

At this point, all Local Area directors are being surveyed, and case study analysis is planned for between January and September or October of 2005. Mr. Lindsey stated that there seemed to be a missing link relative to the business community. Mr. Illig assured him that that was not the intent in drafting the RFP, and that this element will be included.

### **Update: State Youth Council**

Dr. Jorge Ayala, State Youth Council (SYC) Chair, and Steve Trippe, Director of New Ways to Work (NWW), made a brief presentation. Dr. Ayala described the ages between 14 and 21 as "the fleeting moment," necessitating services today that provide preparation for the future. He described the overall composition of the SYC and its effort to involve youth directly. Dr. Ayala invited the State Board to form linkages and work together on common issues. Mr. Trippe

discussed the success of the CWA/NWW partnership in developing the Youth Council Institute (YCi) as a resource strategy.

Mr. Gotlieb recalled working with Dr. Ayala when they were both at UCLA, saying, “Thank you from the people of California.” He echoed these sentiments with regard to YCi and the call to work together. Mr. Gotlieb specifically mentioned the importance of a Work Readiness Certificate as part of a national discussion and asked the State Youth Council to research its applicability to California and report at the next Board meeting.

#### **Any Further Business**

Mr. Gotlieb asked if there was any further business. There being none, the meeting was adjourned at 3:30 p.m.

**California Workforce Investment Board 2005 Action Plan**

**Governor Schwarzenegger's Charge to the State Board**

**Project Update**

**Regional Economies Project**

## THE CALIFORNIA REGIONAL ECONOMIES PROJECT: Overview

The California Regional Economies Project is funded by the California Workforce Investment Board (State Board), in partnership with the California Economic Strategy Panel (Panel), to develop information that better measures the performance of California's regional economies, including the changes in the region's economic base and the clusters of opportunity for job growth and skills, and identify emerging opportunities for future growth. This information is to be used for better-informed policy- and decision-making at the state, regional and local levels, both within and beyond the workforce investment system. The project provides a bridge connecting regional economic strategies to workforce policies, programs, and resources at the state and regional levels.

During FY 03/04, the project delivered the following products:

- Regional Economic Base Reports for each of California's nine economic regions, which will cover trends in jobs, income, population, other key indicators and major industry trends, using data from 1990-2002, and a standardized set of industries by NAICS code.
- Cross Regional Industry Cluster Studies:

### **Golden Opportunity, Growing Crisis: The Health Sciences and Services Cluster**

Prepared by Collaborative Economics, Inc.

*"Health Sciences and Services is one of the largest, fastest-growing clusters of opportunity in both urban and rural California. Some of the cluster is largely population-driven, some of it is largely export-oriented, and overall it provides a wealth of occupations with career potential. Workforce shortages exist at all levels."* This study looks at the research and service delivery components, the distinct patterns of cluster development in rural and urban regions, and the critical workforce shortages faced by this cluster. Health Sciences and Services is not only an essential part of community infrastructure and quality of life, but a significant and important driver for the economy. The study makes recommendations for addressing the critical workforce shortages, fueling innovation and promoting California as a leader in health sciences and services.

### **Manufacturing in Transformation: Economic Change and Employment Opportunities in the Design, Production and Logistics Value Chain**

Prepared by Collaborative Economics, Inc.

*"In recent years, it has become conventional wisdom to say that manufacturing is on the decline in California. In reality, manufacturing has been transforming--much as agriculture did in prior decades."* This study looks at the transitions taking place within the manufacturing cluster. It also looks at the workforce system and how it needs to be redesigned to better meet the needs of industries that are experiencing structural changes

in their workforce and how they do business, rather than the cyclical employment changes that the system was originally designed to address.

**Creating Economic Opportunity and Jobs from Quality of Life Experiences in Rural California**

Prepared by Collaborative Economics, Inc.

*“This cluster of opportunity includes a large and diverse set of industries and occupations – and it an increasingly important part of rural California economies.”* This study explores a relatively new phenomena occurring in rural California, where there is a growing focus on natural places and experiences, historical and cultural exhibits and events, leisure activities and the development of specialty foods, beverages and retail – reflecting the growing “quality of life” demands of residents and visitors. *“...the key requirements for future growth and competitiveness for this cluster... will likely be workforce quality, innovation in the creation and bundling of experiences, and telecommunications and transportation infrastructure support.”*

- Three monographs on key policy issues, including cross-regional issues:

**Creating a Workforce Transition System in California**

Prepared by Collaborative Economics, Inc. with assistance from Center for the Continuing Study of the California Economy and JK, Inc.

*“California faces a set of fundamental challenges requiring a state and regional system that supports continuous workforce transition, not one-time preparation or retraining.”* This monograph identifies the need for a workforce transition system capable of addressing the transformation of both workforce demand and supply—the acceleration of technology change and globalization, the occupational restructuring in response to these changes, and the demographic trends that are shaping the pool of available workers—and makes recommendations for transitioning the current system into a workforce transition system. *“An effective workforce transition system must mirror the competitive environment facing firms, economies, and workers today: it must be cluster-centered, knowledge-driven, focused on continuous learning of the workforce, and flexible enough to respond rapidly to new opportunities and challenges.”*

**Conditions of Competitiveness of California’s Economy**

Prepared by Center for the Continuing Study of the California Economy

*“There is broad agreement among business leadership organizations that increased public investment and quality of life are significant components of any strategy to increase California’s competitive edge. However, there are two ‘big picture’ conflicts in coming to consensus on policies to increase (that) edge.”* This monograph explores the qualities that make a regional and state economy attractive for basic industry job growth.

It discusses policies that support long-term economic growth and increasing California's competitive edge, how perspectives on this differ, and the associated challenges.

**Innovation, Productivity, and California's Prosperity**

Prepared by Collaborative Economics, Inc. with assistance from Center for the Continuing Study of the California Economy

*"Innovation is the key source of productivity growth and productivity is key to long-term prosperity."* The focus of this monograph is the need for both critical investments that add to productivity and support innovation, as well as policy reforms that will reduce the cost of doing business. It emphasizes the need for a commitment to a pro-innovation, high-productivity economic strategy that promotes a healthy business climate and shared prosperity for all of its people.

All of the reports and studies will soon be available online, and some materials are already available through the California Economic Strategy Panel's website at [www.labor.ca.gov/panel](http://www.labor.ca.gov/panel).

In FY 04/05, a second phase of the project is planned, which will include:

- Three additional in-depth analyses and reports on industry sectors, clusters and/or issues that will be defined in cooperation with the State Board and the Panel.
- Technical assistance for updating the Economic Base Reports, to include data available through 2004.
- Development of a *User Guide to Regional Clusters of Opportunity*, which shall guide users on how to discover and explore industry clusters of opportunity themselves; describe how to apply this information to planning and program development; and, outline a process for engaging employers, by region and/or industry cluster, in the design and implementation of regional initiatives.
- Regional policy forums based on the reports and findings.



**Old Business**

**Action Item: Modification of an Existing Area Application Package**

- **Attachment 1 – Local Area Modification Application Information and Forms Package**

## **Requesting/Recommending Modifications to Local Area Boundaries**

### **Action Requested**

That the State Board approve the Local Area Modification Policy and Application package

### **Background**

At the May 2004 meeting, the California Workforce Investment Board (State Board) approved the following action:

*The State Board will develop policy that will: 1) define the purview of the State Board regarding proposed changes to Local Areas; 2) establish provisions or guidelines for assessing such proposed changes; and 3) provide direction and guidance to Local Areas that are seeking to integrate or modify their existing boundaries.*

Following the May meeting, the State Board convened a working group of staff from the State Board, Local Boards, the Employment Development Department (EDD), and the California Workforce Association (CWA). The work group has developed a Local Area Modification Application Information and Forms Package (*See Attachment*), which addresses the charge given by the State Board.

### **Summary**

The intent of the modification process is to provide the State Board, and ultimately the Governor, every consideration necessary in order to make a sound judgment about the modification request – to ensure that the modification will not adversely affect services to job seekers and businesses in those communities. The Workforce Investment Act (WIA) does not provide specific guidelines for modifying or integrating Local Area boundaries once they have been designated. The Governor has the authority in law to approve or disapprove such requests.

The two principal considerations that were applied throughout the development of this process are:

- To preserve local flexibility and control in optimizing services to all customers, including job seekers and businesses; and
- To provide the elements necessary for the Governor to receive an objective assessment of any request for the modification of a local area(s) boundaries.

The applicant must therefore make a good faith effort to at least report dissenting views through the application itself. The process provides several opportunities for an opposing or dissenting entity to provide specific information supporting its opposition to the request.

#### *Development of the Request for Modification*

A participating Local Board and its designated local CEO must initiate the modification request. When the local process of developing the request for modification is completed, the Local Board/CEO will complete the Local Area Modification Application package. The parties to the area modification request must submit the completed application to the State Board, which will refer it to the EDD for assessment.

Overall, the considerations that an application must address are how the proposed change will affect the customers – both job seekers and businesses. The considerations may include but are not limited to how the proposed change will:

- Improve the operations and the services in the participating local areas;
- Provide greater accessibility to services for customers in the service area(s) affected by the change; and
- Better align workforce resources.

#### *State Process*

Once a completed application is received, the Workforce Investment Division (WID) in the EDD will have 60 days in which to assess the application and forward a recommendation for approval or disapproval to an assigned standing committee of the State Board. During the commencement of the 60-day period, EDD will notify affected Local Boards/CEOs that the application has been received. This is to provide Local Boards/CEOs a 30-day period to submit written opposing or supporting information for consideration in the assessment of the application.

The WID will work with the Local Areas to obtain any missing or incomplete documentation. Fiscal, administrative, and program experts in the EDD will be engaged in the assessment to assist in identifying the effects that the proposed change may have on operations, budget, and services in the Local Areas involved.

#### *Role of the State Board*

The State Board standing committee will consider all information provided and present its recommendation to the full State Board at its next regularly scheduled meeting. The State Board will, in public session, review and discuss the application and the assessment and recommendation submitted by the standing committee. Once the necessary documentation and public comment is complete, the State Board will take action to recommend approval or disapproval of the application to the Governor.



## **California Workforce Investment Board**

# Local Area Modification Application Information and Forms Package

**DRAFT** 12-06-04

**Local Area Modification Application  
Information and Forms Package**

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## Local Workforce Investment Area Modification Process

### Purpose:

The local workforce investment area modification process was developed to articulate and support policy that enables the California Workforce Investment Board (State Board) and the State administrative entity for the Workforce Investment Act (WIA), the Employment Development Department (EDD), to assist the Governor in responding to requests to modify the existing boundaries of designated local workforce investment areas (Local Areas). The two principal considerations that were applied throughout the development of this process are:

1. To preserve local flexibility and control in optimizing services to all customers, including job seekers and businesses; and
2. To provide the elements necessary for the Governor to receive an objective assessment of any request for the modification of a Local Area(s) boundaries.

### Background:

The WIA provides the Governor with the authority and the responsibility to designate cities, counties, or consortia of cities and/or counties as Local Areas for delivering WIA services. These areas are known as Local Areas and the original Local Area designations were based on three categories, along with the process and considerations, as provided for in the WIA. The three categories as stated in Section 116 of the WIA were:

- *Automatic:* The Governor shall approve any request for designation from any unit of general local government with a population of 500,000 or more.
- *Temporary:* The Governor shall approve any request for designation, made prior to the submission of the initial State Plan, for a any unit of general local government, including a combination of such units, with a population of 200,000 or more that was a service delivery area under the Job Training Partnership Act (JTPA) prior to the enactment of the WIA and that:
  1. Performed successfully under JTPA in each of the preceding two years, and
  2. Sustained the fiscal integrity of the JTPA funds allocated to the area.These designations shall be for a period of not more than 2 years, after which the designation shall be extended until the end of the period covered by the State Plan.
- *California Workforce Investment Board (State Board) Recommended:* The Governor may approve a request from any unit of general local government, including a combination of such units, for designation (including temporary designation) if the State Board determines, taking into account the factors described in clauses (i) through (v) of paragraph (1)(B) of Section 116, and recommends to the Governor, that such area should be so designated.

The WIA required the Governor to determine these designations, as a part of developing California's Strategic 5-Year WIA Plan (Strategic Plan), prior to the July, 2000 implementation of the WIA. *Temporary* and *State Board Recommended* Local Areas received two-year designations that were reviewed in 2002-03 and, based upon performance, were extended for the life of the Strategic Plan. Therefore, until a new program period is implemented with the approval of a new Strategic Plan, only a local workforce investment board (Local Board) and its

designated local Chief Elected Official (CEO) can initiate the modification of an existing Local Area.

### **Modification of Existing Local Area Boundaries:**

The WIA does not provide any direct guidance on how governors should process and approve or disapprove requests from existing Local Areas to modify their designated boundaries after designations were made. Modification requests can range from a single city moving from one Local Area into another, to two or more Local Areas merging into a larger one, or a unit of government (including a combination of such units) within an existing Local Area requesting to be designated as a new Local Area. Any designated Local Area boundary change will result in a change to at least one other designated Local Area's boundaries. Any modification, therefore, no matter how minor, will alter at least two Local Areas' boundaries.

The Governor has the authority to make or change Local Area designations, so the Governor must approve or disapprove all requests for Local Area modifications. The Governor must also consult with the designated local CEOs for the Local Areas involved and with the State Board before approving or disapproving such requests. In order for the EDD and the State Board to assist the Governor in making these important decisions, it is necessary for the State to have policy and process in place that will provide the Governor with objective assessments upon which he can base his decisions.

Since Local Area modification requests will alter at least two Local Areas' boundaries, two Local Boards and two designated local CEOs, at a minimum, should be involved in any modification application. Ideally, all Local Boards and designated local CEOs in Local Areas affected by the boundary changes will support the modification application. When this occurs, the application process should be easier and more expedient, although objective information supporting the request must still be developed and provided.

In the instance where one or more of the parties to the application are not in agreement about the boundary change, however, each step and consideration in the application process will require a higher threshold of information and public scrutiny. For instance, in performing its objective assessment of the application, the EDD must consider dissenting opinions and opposing information, whether the applicant is able to provide them or not. The State Board must also have the most comprehensive and objective information available in order to make a recommendation to the Governor regarding a contested modification request.

### **Opposition to a Modification Request:**

The intent of the modification process is to provide the State Board, and ultimately the Governor, every consideration necessary in order to make a sound judgment about the request – to ensure that the modification will not adversely affect services to job seekers and businesses in those communities. The applicant must therefore make a good faith effort to at least report dissenting views through the application itself. The process provides several opportunities for an opposing or dissenting entity to provide specific information supporting its opposition to the request.

Those opportunities include:

- The Local Board(s) public process in consideration of the application;
- Notification by the EDD to an opposing Local Board/CEO that the application has been received. An opposing Local Board/CEO will have 30-days to provide written concerns and supporting information to EDD for consideration in the assessment of the application;
- Consideration of the application by a State Board standing committee at a public meeting, during which the opposing entities will have an opportunity to provide comments;
- Consideration of the recommendation from the standing committee to the full State Board at a public meeting. The opposing entities will, again, have an opportunity to comment and/or provide written information.

### **Local Area Modification Request Process:**

A Local Board, and its designated local CEO, of a Local Area involved in the boundary change always initiates the process. Ideally, all Local Boards and CEOs of the Local Areas affected by the boundary change will reach agreement on the proposed change. Applications will be accepted only from Local Boards and their designated local CEOs. There are four steps to the process:

#### *1. Development of the Request for Modification*

A participating Local Board and its designated local CEO must initiate the modification request and must:

- Provide signed support for the request from the initiating Local Board and designated local CEO and, if available, signed support from the Local Board(s) and their designated local CEO(s) from the other Local Area(s) whose boundaries will change; and
- Notify the public of the request and allow sufficient time for public comment.

The modification of Local Area boundaries will affect operations in those Local Areas in important ways, including but not limited to the revision of WIA allocations and performance goals, possible changes to the One-Stop infrastructures, and changes to the composition of the Local Boards. The EDD staff is available to the initiating Local Boards/CEOs for technical assistance in developing the request and in completing the application to the Governor. The EDD staff can also assist the Local Areas in identifying what those changes may be and how modification will affect each of the involved Local Areas.

#### *2. Submission of the Application to the State Board*

When the local process of developing the request for modification is completed, the Local Board/CEO will complete the Local Area Modification Application package. Again, designated EDD staff can be of assistance in completing the application itself and in securing the required documentation. The parties to the area modification request must submit the completed application to the State Board, which will refer it to the EDD for assessment. Overall, the considerations that an application must address are how the proposed change will affect the customers – both job seekers and businesses. The considerations may include, but are not limited to, how the proposed change will:



- a. Improve the operations and the services in the participating Local Areas;
- b. Provide greater accessibility to services for customers in the service area(s) affected by the change; and
- c. Better align workforce resources.

3. *Assessment of the Application by the EDD*

The State Board will refer applications for Local Area modification to the Workforce Investment Division (WID) in the EDD, which will work with the Local Areas to obtain any missing or incomplete documentation. Fiscal, administrative, and program experts in the EDD will be engaged in the assessment to assist in identifying the effects that the proposed change may have on operations, budget, and services in the Local Areas involved.

Once a completed application is received, the EDD will have 60 days in which to assess the application and forward a recommendation for approval or disapproval to an assigned standing committee of the State Board. During the commencement of the 60-day period, EDD will notify affected Local Boards/CEOs that the application has been received. This is to provide Local Boards/CEOs a 30-day period to provide written concerns and supporting information for consideration in the assessment of the application.

The State Board standing committee will consider all information provided and present its recommendation to the full State Board at its next regularly scheduled meeting.

4. *Recommendation from the State Board to the Governor*

The State Board will, in public session, review and discuss the application and the assessment and recommendation submitted by the standing committee. The public, as well as all interested local parties, will have the opportunity to speak in support of, or opposition to, the proposed change. The State Board may re-refer the application to the standing committee and the EDD, if necessary, for further information or assessment. Once the necessary documentation and public comment is complete, the State Board will take action to recommend approval or disapproval of the application to the Governor.

### Forms Checklist and Cover Sheet

Please check the appropriate boxes below to indicate that these steps have been taken in developing the modification application, and that the required documentation is attached. Please have the “point of contact” sign and date the checklist.

- |        |  |                          |
|--------|--|--------------------------|
| Step 1 | Designate Point of Contact   | <input type="checkbox"/> |
| Step 2 | Identify participating Counties/Cities/Local Areas in this modification request. | <input type="checkbox"/> |
| Step 3 | Narrative completed that addresses all modification considerations.              | <input type="checkbox"/> |
| Step 4 | Local CEO(s) and Local Board Chair(s) signatures provided                        | <input type="checkbox"/> |
| Step 5 | Public comment process documented and results attached.                          | <input type="checkbox"/> |

\_\_\_\_\_  
Name of organization

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State ZIP

Date application mailed \_\_\_\_\_

Point of Contact Signature \_\_\_\_\_

### **Narrative Instructions**

This application is comprised of a series of steps that will assist you in developing and submitting your request for the modification of Local Area boundaries. The process involves coordination with all necessary local partners, including the designated local CEOs for the Local Areas involved in the boundary change, in order to obtain support for, and in certain cases, signatures to the application.

It is not necessary to proceed in sequential order. All steps must be completed before submitting the application. The narrative and documentation are required so that the Governor can make an informed decision.

Please provide the original application and two photocopies of the full document. Please use narrative format when responding to the topics. Use the following guidelines when preparing your narrative:

- 1 ½ line paragraph spacing, using a 12 point standard business font.
- Include a CD or Disk of the full document, including electronic copies of supporting evidence or attachments, if available.
- Limit narrative to no more than 15 pages maximum.

Please attach your completed Checklist as a cover page to your application. If the EDD determines the modification request package is incomplete, your request will be either returned or held while necessary information is gathered. Please contact your EDD Regional Advisor for technical assistance and answers to questions related to completing and submitting this application.

## **Local Area Modification Narrative and Documentation Requirements**

### **1. Point of Contact**

The named person will be the point of contact for questions related to this modification request. Please provide the name of the person, title, mailing address, direct phone number, fax number, and e-mail address.

### **2. Affected Local Areas and Local Boards**

Please provide a list of the Local Areas, and their Local Boards, whose boundaries will change as a result of the modification application. In addition, please provide the names of any specific counties and/or cities within those service areas directly affected by the boundary change.

### **3. Geographic Boundaries**

Please describe the geographic modification to the designated Local Areas, including the exact boundary changes and how the boundary changes effect the overall populations of the Local Areas involved.

### **4. Local Area Modification Considerations**

The following considerations represent the type of narrative information that is necessary in order for the local communities, the EDD, the State Board, and the Governor to make an objective assessment of any request for Local Area modification. The considerations are listed *a. through g.* and each includes a number of questions that suggest concerns the applicant may want to address. It is not necessary for the applicant to answer each of these questions, nor should the applicant feel limited to these questions. It is important to note, however, that it is in the applicant's interests throughout the process to develop information, for each of the considerations, that is sufficient to objectively support the boundary change request.

*a. Describe the resources available in each of the Local Areas to administer WIA activities.*

What training and services are available in each of the affected Local Areas? How does the boundary change influence existing partnerships and leveraged resources? Which One-Stop Career Centers will be affected by this change? How will the boundary change improve training and other services for the populations effected by the change?

*b. Describe how the boundary change will help a unit of general local government or combination of units produce a more comprehensive and integrated workforce development system.*

How are the local economic development efforts within the area affected by the boundary change? Will the boundary change improve coordination between local private industry efforts and Local Boards to create jobs or foster economic development? What are the

local collaboration efforts that provide an opportunity for Local Board involvement in workforce development issues within the new boundary?

- c. *Describe the geographic area served by local educational agencies and intermediate educational agencies within the modified boundaries.*

Will there be an increase or decrease in the number of local education agencies? What are the linkages between educational agencies responsible for services to participants, including youth, and how will they be affected by this change? Will the coordination of educational agency vocational services and intensive services (e.g., Adult Education and Literacy services) in the region change?

- d. *Identify the extent to which the service area affected by the boundary change is consistent with a local labor market.*

Does the service area shift an existing labor market area? What are the commute patterns within the affected service area and how will they change? How will the change affect the unemployment rates for the modified service area?

- e. *Identify the maximum distances that individuals will need to travel to receive services within the proposed service area.*

How will the boundary change improve accessibility for customers? Is transportation available for people with disabilities? What are the known commute patterns, reverse commute patterns, peak/non-peak patterns, and multi-transportation mode connecting schedules for persons dependent on public transportation. Is Internet access available in public areas? What, if any, impact is there on local demand occupations, the ETPL training provider requirements, and individual ITAs?

- f. *Provide any other narrative information that may be relevant to an objective assessment of the modification request.*

#### **4. Documentation**

Please provide the following documentation in support of your modification application and narrative:

- (a) Using the attached signature form, provide the signature of the designated local CEO initiating the modification of boundaries. Using a duplicate(s) of the form, provide the signature(s), if available, of the designated local CEO(s) from the other Local Area(s) whose boundaries will change. Also, provide local government resolutions if available.
- (b) Using the attached signature form, provide the signature of the Local Board initiating the modification of boundaries. Using a duplicate(s) of the form, provide the signature(s), if available, of the Local Board(s) from the other Local Area(s) whose boundaries will change. Also, provide Local Board actions, if available.

- (c) Attach local labor market, unemployment, population, and economic statistics and reports for the proposed boundary change if available.
- (d) Attach documentation of the public comment processes from each Local Area participating in the boundary change. Local Boards should make the public comment processes as inclusive as possible and utilize as many avenues for public input as feasible.
- Make copies of the modification plan available to the public through such means as public hearings, board meeting notifications, an internet site, and mailings to interested local parties.
  - Encourage Local Board members, local government, the public, and partners from all affected Local Areas to submit comments on the modification plan either in writing or over the internet.
  - Provide a narrative describing the local public comment process.
  - Include transcripts of hearings and/or meetings that are intended to allow for public commentary regarding the modification of the existing Local Area(s). A summary of all written comments including any comments that represent disagreement with the plan must be provided.
  - Describe the degree of support, and describe the nature of opposition, if any, to the changes being proposed. What organizations support the boundary change? What organizations oppose the change? Why are they in disagreement with the proposed change? Describe the efforts undertaken in attempting to reconcile differences or overcome barriers to agreement.

**5. Mail the completed Modification Request package to the State Board offices at the address provided below.**

California Workforce Investment Board  
Attention: Executive Director  
777 12<sup>th</sup> St., Suite 200  
Sacramento, CA 95814

## **Local Area Modification Request**

### **Signature Page**

(This form should be reproduced as needed)

The Local Board chair, as well as the designated local CEO for the Local Area submitting or supporting the modification request should sign and date this form. Include the original signature page(s) in the modification request package.

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#### **Certification Statement**

**The signatures of the following local workforce investment area representatives acknowledge that the signatory parties below are submitting or supporting a Local Area modification request.**

**It does not acknowledge there is full agreement on the modification request. If there is disagreement with the modification request, please attach all public comments received that indicate disagreement**

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#### **Acknowledgement**

**Name from the local workforce investment board submitting or supporting the modification request:**

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(Typed)

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Name (printed or typed)	Original Signature of the Local Board Chair	Date
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**Signature of designated local Chief Elected Official submitting or supporting the modification request:**

**County or City Title:**

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(Typed)

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Name (printed or typed)	Original Signature of Designated CEO	Date
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## Local Area Modification Request

### Application Timeline

The following timeline provides the general workflow for processing an application to modify a Local Area(s) boundaries. Approved changes will always take effect on July 1, the beginning of a State Fiscal Year. Although applications may be submitted at any time during a calendar year, they should be submitted no later than December 31 in order to ensure implementation at the beginning of the following Fiscal Year.

Activity	Date
Submission of the application to the State Board which will then forward the application to the EDD for assessment	Applications can be submitted anytime during the calendar year. Applications submitted between July 1 and December 31 of a given calendar year will be implemented, if approved, beginning July 1 of the following Fiscal Year. It is unlikely, however, that applications submitted between January 1 and June 30 of a given Fiscal Year will be processed and approved in time for implementation on July 1 of the following Fiscal Year.  The State Board will forward the application to EDD the day of receipt, or the next business day
The EDD assesses the application and forwards the application, the assessment, and a recommendation for approval or disapproval to a State Board Standing Committee.	The EDD has 60 days to process the application and conduct a full assessment. Within this timeframe, the EDD will notify affected parties of the proposed change and afford them 30 days to provide written responses to the EDD.
The Standing Committee holds a public meeting to review the application, assessment, and recommendation. The Standing Committee then forwards the package, including minutes from its meeting, to the full State Board.	The Standing Committee has 45 days in which to conduct its public meeting and provide the results to the State Board.
The State Board reviews the application, assessment, recommendation, and Standing Committee minutes at its next regularly-scheduled public meeting.	The State Board's last opportunity to consider an application prior to the beginning of the next Fiscal Year is at its May/April meeting.



The State Board forwards its recommendation to the Governor's Office via the Labor and Workforce Development Agency.	The Agency will review the modification request, assessment, and recommendation and forward it to the Governor.
The Governor accepts or rejects the recommendation. The Governor's decision is communicated to the Local Area(s) and the EDD via the Labor and Workforce Development Agency and the State Board.	Prior to the July 1 beginning of the next FY.
If the application is approved, the EDD calculates new funding for the modified Local Areas for the upcoming Fiscal Year and begins performance measure negotiations.	Requesting Local Areas are officially notified of the approval or denial of their request. Local fiscal allocations are coordinated with the new geographic boundaries for the Fiscal Year beginning July 1.

**Progress Reports**

- **Youth Council**
  - **Attachment 1 – A Review of Work Readiness Credential Models**
- **Return on Investment**

## **A REVIEW OF WORK READINESS CREDENTIAL MODELS**

### **Background**

At the September 29, 2004 meeting of the California Workforce Investment Board (State Board), Larry Gotlieb, Board Chair, reiterated the Board's commitment to California's youth by asking the State Youth Council (Youth Council) to research Work Readiness Certificates (WRCs) or Credentials. The State Board also requested that the Youth Council develop recommendations related to Work Readiness Certificates and present these recommendations at a future State Board Meeting.

### **Overview**

As a standardized credential of Vocational Education, now referred to as Career Technical Education, a WRC certifies to potential employers that an individual has achieved the skills needed for success in the workplace. Work Readiness Certificates or Credentials are assessment tools that define, measure, and certify that potential employees have the skills and abilities needed to succeed in entry-level work in most employment. Work readiness certificates, (which certify participant's have employability or soft skills) have been researched in California for many years. In most cases, the business community and their need to identify a skilled labor force drive WRCs. While not universally embraced by all local or regional areas, education and business partners have recognized the benefits and value of WRCs.

The purpose of WRCs is to provide students with basic job skills. Students have the opportunity to prepare documents they will need as they enter the world of work. Students create resumes, references, cover letters, thank you letters, employer evaluations, placement evaluations, and other work-related materials. Students learn what type of work will best suit their strengths, and they learn how to find jobs, apply for jobs, keep jobs, and traverse the career lattice. Certificates could also offer students additional options for employment.

WRCs primarily bridge the skill gap that exists between employers' needs and the job seekers' skills. These certificates establish standards that will assist local education and training programs develop curriculum and train participants to the standards set by the business community. Area employers can use work readiness certificates as screening tools, and education and training providers can use WRCs as instructional design aids.

The WRC is awarded to individuals who have completed training and demonstrated proficiency in a series of skill standards. Employers have identified a range of necessary employee skill standards across all industries and occupations. Skills identified as most critical for workplace success include:

Attendance; Punctuality; Interpersonal Relations; Task Completion; Applications; Resumes; Resume Cover Letters; Interviewing; Adaptability; Listening; Conflict Resolution; Organizing and Planning; Teamwork; Speaking; Customer Service; Work Habits, Attitudes, and Behaviors; Reading; Math; Problem Solving; Knowledge of Safety

Procedures; Appearance; Writing; Telephone Etiquette; and Knowledge of Basic Computer Tools.

The following outlines the benefits WRC's can provide employers, job seekers, and education and training providers.

### **Employer Benefits**

- Utilize this certificate in the hiring process to distinguish qualified versus non-qualified applicants;
- Enhance profitability by reducing turnover (with a cohesive team of skilled employees); and
- Build internal morale with a workforce motivated to excel.

### **Job Seeker Benefits**

- Become better prepared and more qualified job candidates;
- Train or improve on the skills desired by employers to help obtain and maintain employment;
- Increase opportunities to earn higher wages and become more economically self-sufficient; and
- Empower individuals with barriers to employment.

### **Education/Trainer Benefits**

- Enhance reputation by providing the business community with high-quality job applicants;
- Provide tailored education and training curriculum that meets the specific needs of businesses; and
- Contribute to the area's workforce and community success by providing better prepared and more qualified job candidates.

The following are examples of National and Local California WRC Initiatives that also identify some pros, cons and cost factors associated with the adoption of each system:

## **National Initiatives**

The five major WRC efforts reviewed here on a national level are Comprehensive Adult Student Assessment System (CASAS), Secretary's Commission on Achieving Skills (SCANS), Equipped For the Future (EFF), WorkKeys, and Partnership for 21<sup>st</sup> Century Skills. Of the five, only CASAS, SCANS, and WorkKeys are currently operating in a variety of states. The EFF model is in its final stages of design and scheduled for demonstration and test in Florida, New Jersey, New York, and Washington in summer 2005. The Partnership for 21<sup>st</sup> Century Skills program is currently exploring options and will make a recommendation to its Board for adoption in early 2005. All five systems are described below.

## **I. CASAS ([CASAS system](#))**

A non-profit organization, CASAS is approved and validated by the U.S. Department of Education in the area of adult literacy. Backed by more than 22 years of research and development in adult assessment, instruction, and evaluation, CASAS provides programs with a comprehensive performance accountability system, address core indicators of performance, integrate literacy and occupational skill instruction, and evaluate the effectiveness of adult education and literacy programs. With the implementation of the CASAS system, programs can establish measurable goals, document learner outcomes, and report program impact to students, staff, local boards, and policy makers.

Pro: Nationally recognized and validated by the U.S. Department of Education in the area of adult literacy, with over 20 years practice.

Con: The major emphasis of CASAS is literacy and adult basic education and their assessment of skills products culminate where other job-specific assessment begins.

Cost: CASAS represents no cost to the user or assessment applicant when paid for by WIA Title I or II programs in California through a contract with California Department of Education. Specific program costs vary depending on organizational need and in-house resources, however estimates are currently in the process of being collected.

## **II. SCANS (<http://wdr.doleta.gov/SCANS/>)**

In 1990, the U.S. Secretary of Labor appointed a commission to determine the skills our young people need to succeed in the world of work. The commission's fundamental purpose was to encourage a high-performance economy characterized by high-skill, high-wage employment. Although the commission completed its work in 1992, its findings and recommendations continue to be a valuable source of information for individuals and organizations involved in education and workforce development.

The know-how identified by SCANS is made up of five competencies and a three-part foundation of skills and personal qualities that are needed for solid job performance. These include:

COMPETENCIES – effective workers can productively use:

- Resources – allocating time, money, materials, space and staff;
- Interpersonal Skills – working in teams, teaching others, serving customers, leading, negotiating, and working well with people from culturally diverse backgrounds;
- Information – acquiring and evaluating data, organizing and maintaining files, interpreting and communicating, and using computers to process information;
- Systems – understanding social, organizational and technological systems, monitoring and correcting performance, and designing or improving systems;
- Technology – selecting equipment and tools, applying technology to specific tasks, and maintaining and troubleshooting technologies.

THE FOUNDATION – competencies requires:

- Basic Skills – reading, writing, arithmetic and mathematics; speaking and listening;
- Thinking Skills – thinking creatively, making decisions, solving problems, seeing things in the mind's eye, knowing how to learn, and reasoning;
- Personal Qualities – individual responsibility, self-esteem, sociability, self-management, and integrity.

Pro: Nationally recognized as a leader in education and workforce development skills assessment tools, SCANS competencies represent the US government's best effort to establish standard testing criteria.

Con: SCANS, by its own admission, focuses on 'soft' or essential employability skills as opposed to job-specific skills assessment. Critics of SCANS suggest the system has not been adequately updated to accommodate new and emerging technology-based occupations.

Cost: There are no costs to the user or certificate applicant, however specific program costs vary depending on organizational need and in-house resources, however estimates are currently in the process of being collected.

### **III. WorkKeys ([ACT WorkKeys](#))**

WorkKeys, developed by American College Testing, Inc. (ACT), is a national system for documenting and improving workplace skills. WorkKeys is designed to benefit individuals, businesses, educators and policy makers, and to improve the overall quality of America's workforce.

The WorkKeys system documents and improves individuals' workplace skills, giving organizations a competitive edge and enhancing employee motivation and productivity. WorkKeys measures and offers instructional support in skills that are not limited to specific jobs, but which continue to be useful to employees as they enter new jobs or adapt to changing technologies or organizational structures.

The WorkKeys system consists of three primary components: Job Profiling (Analysis), Assessments, and Instructional Support. WorkKeys Projects in Other States include:

Oregon: [Skill Standard Network of Oregon](#)

Ohio: [Ohio](#)

Virginia: [The Virginia Workforce Readiness Certificate](#).

Tennessee: [Tennessee](#)

Michigan: [Michigan Career Readiness Certificate](#)

Kentucky: [Kentucky Employability Certificate](#)

Louisiana: [Louisiana Work Ready! Certificate](#)

Kansas: [Kansas Career Readiness Certificate](#)

Pennsylvania and Florida: [Keys 2 Work](#)

Illinois: [Illinois Workforce Readiness Certification](#)

Pro: WorkKeys has been adopted extensively at state and local levels.

Con: WorkKeys assessment tools are occupation-specific and while it addresses essential employability skills, its primary focus is job specific.

Cost: For the minimum three assessments (reading, mathematics, and information retrieval), each assessment costs \$3.20 (or \$9.60) per assessment applicant. This fee includes exam proctor, grading, and interactive appraisal. The test can be administered either manually (pencil and paper) or by computer. There is a \$100 set up fee to the user for each computer station.

#### **IV. Equipped for the Future (EFF)**

Since 1994 the National Institute for Literacy has led a collaborative, nationwide effort to develop adult learning standards that can guide instruction and assessment and improve the quality and results of adult literacy programs. The 16 EFF standards define the knowledge and skill adults need to fulfill successfully their roles as parents, citizens and workers in the 21st Century. These skills include strong reading, writing, and math skills; they also include the skills we need to communicate and work well with others; to solve problems; and to keep up with change.

Although EFF is a voluntary initiative, nearly 600 adult literacy programs in 38 states are already using the EFF content framework to guide teaching and learning. Eighteen states have begun using the EFF standards to improve the quality of one or more of their adult learning systems. In addition, key national organizations like the National Center for Family Literacy, the National Urban League, ProLiteracy, and the National Retail Federation are using EFF as an integral part of their own training and program improvement systems.

The work readiness credential, a joint project of NIFL and several states including Florida, New Jersey, New York and Washington, is one strand of current EFF research and development focused on developing assessments for multiple purposes that are aligned with EFF content standards.

The EFF Work Readiness Credential is based on nationally validated EFF applied learning standards and business consensus on what work readiness means. It provides a common, national standard for defining, assessing, and certifying that individuals can meet the demands of entry-level work and learn on the job.

The EFF Work Readiness Credential can also improve the focus, alignment, and accountability of the workforce development system. By providing a common, standardized and measurable definition of work readiness, this new credential will enable:

- One Stop Centers and job developers to accurately assess the readiness of jobseekers for employment.
- Education and training programs to understand what outcomes they are responsible for so they can design courses of instruction that prepare students to qualify for this credential.

- Workforce Investment Boards to set a uniform standard for performance, and define a clear and measurable set of results they expect from vendors in the system.
- The public workforce system to improve its credibility with employers, job seekers, and the public by delivering on the promise of building skills that enhance competitiveness and contribute to economic and social well-being.

NIFL launched the EFF Work Readiness Credential project in response to state and national workforce partners who identified the need for a credible, portable national work readiness credential. Work to develop the credential is jointly funded by the National Institute for Literacy and State Partners. Development is guided by a Policy Oversight Council, made up of representatives of participating states, and national partners invested in the development of skill standards and workforce excellence. Work is carried out by the EFF Assessment Consortium, led by SRI International, and staffed by a team of technical experts from BMC Associates, HumRRO, University of Tennessee, and WestED.

### **State Partners**

[Workforce Florida, Inc.](#)

[New Jersey Department of Labor and Workforce Development](#), in conjunction with [New Jersey State Employment and Training Commission](#)

[New York State Workforce Investment Board](#), in conjunction with [New York State Departments of Education and Labor](#)

[Washington State Workforce Training, Education and Coordinating Board](#)

### **Business Partners and Advisors**

[Center for Workforce Preparation](#), U.S. Chamber of Commerce

[Center for Workforce Success](#), National Association of Manufacturers.

[National Retail Federation Foundation](#)

### **Other National Partners**

[Center for Best Practices](#), National Governors Association

[Center for Workforce Development](#), Institute for Educational Leadership

[National Institute for Literacy](#)

Pro: While the WRC is only one of many products/programs EFF offers, many of its state partners are State WIBs and as such, can easily be incorporated in the WIA delivery system.

Con: EFF's WRC project is still in development. State partners, such as New York, New Jersey, Florida and Washington are investing between \$350,000-\$500,000 to fully participate in that development process. EFF looks to complete development by Summer 2005, whereby they intend to launch a series of demonstration/focus groups and roll out by January 2006.



Cost: Depending on the level of its commitment, California would be asked to sign a contract/MOU and obligate between \$350,000-\$500,000.00, payable over a two-year term. California would retain proprietary ownership of their portion of the program for statewide use.

### **V. Partnership for 21<sup>st</sup> Century Skills (<http://www.21stcenturyskills.org/default.asp>)**

The Partnership for 21st Century Skills is a unique public-private organization formed to define and incorporate into learning the skills that are necessary for every student's success in the 21st Century. The Partnership for 21st Century Skills brings together educators, administrators, parents, businesses, and community leaders to determine how to define and assess these skills, as well as to make recommendations and provide tools for their implementation.

The Partnership's work is supported by the U.S. Department of Education and it promotes the goals of the recently passed No Child Left Behind Act, including the more accurate and timely assessment of learning, greater accountability for students and teachers, support for the progress of all children, including special education children, and greater support for underserved populations. Specifically, the Act calls for every student to be technologically literate by the eighth grade. The Partnership will support the achievement of this particular goal by developing a specific technology literacy tool in its second year.

#### **Founding Members:**

Apple, Cable in the Classroom, Cisco, Dell, NEA, Microsoft, SAP, Time Warner Foundation

Pro: As a non-profit, public-private sector organization, much of the work performed by the Partnership for 21<sup>st</sup> Century Skills is supported by the U.S. Department of Education.

Con: The Partnership for 21<sup>st</sup> Century Skills currently does not have a WRC program. They have hired a consultant to explore different assessment tools and are in the process of developing a program they can recommend to their board in January 2005.

Cost: Unknown.

## **Local California WRC Initiatives**

### **Mendocino College**

Victoria Patterson, (707) 468-3408

Judy Mello, Lake County School-to-Career Coordinator

55 1st Street, Room 302 Box G, Lakeport, CA 95453, Phone: (707) 262-3492, Fax: (707) 262-5625, [jmello@lake-coe.k12.ca.us](mailto:jmello@lake-coe.k12.ca.us)

Mendocino College developed a formal partnership with the Mendocino County Workforce Investment Board (WIB) by integrating the Tech Prep Consortium with the WIB Youth Council. The college Tech Prep Director is Chair of the county Youth Council. This collaboration puts workforce development agencies, education institutions, and employers in the same room to plan joint strategies that address workforce preparation issues and to leverage funds from each other's

programs. This partnership implemented the first countywide Youth Summit; is creating a Work Readiness Certificate; and is actively pursuing additional workforce training funds to develop internships and work-site learning opportunities for students.

A Work Ready Certificate indicates the student's preparation level for school-to-career transition. It reflects important skills, attitudes, and values that are essential for success in the workplace. Readiness indicators are reviewed and approved by the business community.

Each participating high school has a process for verifying school indicators required to earn the certificate. After a student has developed his or her Work Ready Portfolio, the student is eligible for an interview by a member of the business community. If successful, the student is issued a Work Ready Certificate signed by the interviewer and the principal and awarded at an appropriate school function or location.

#### Communication Skills:

- Reads and understands written information.
- Demonstrates good writing skills including spelling, grammar and punctuation.
- Accepts and adjust to constructive feedback.
- Listens reflectively and speaks clearly and articulately. Completes job application, cover letter, resume, and letters of recommendation.

#### Social/Interpersonal Skills:

- Exhibits positive body language, is well groomed, is appropriately dressed, makes eye contact.
- Solves problems as a member of a team.
- Communicates and contributes within a group.
- Interviews positively, are self-motivated and enthusiastic.
- Demonstrates respect and interacts positively with others.

#### Technical Skills:

- Demonstrates competency in computer applications and proper usage of the Internet.
- Demonstrates working knowledge of career-appropriate technology and basic workplace equipment.

#### Basic Math Skills:

- Demonstrates basic math competencies.

#### Work Ethics:

- Respects and complies with standard.
- Accepts individual responsibility and has pride in work.
- Demonstrates integrity and honesty.
- Is punctual and has good attendance.
- Shows application of learned skills in real life scenarios.

#### Problem Solving/Goal Setting:

- Effectively organizes, plans and allocates resources.

- Acquires and evaluates information into priority tasks.
- Accepts and completes assignments in a timely manner.
- Sets goals, yet is flexible and can adapt to change.
- Shows initiative and solves problems independently

What evidence do I need to verify mastery of the required skills? (School Indicators):

- True, accurate and error free and complete application, cover letter, and resume.
- Three letters of recommendation (no more than one school source).
- Passing scores on all school-given proficiency tests.
- GPA of 2.5 or above (cumulative for Junior and Senior year).
- Demonstrates competency in computer applications with a grade C or better in a computer course.
- No suspensions during the Junior and Senior year.
- Active member of a team or organization.
- 97% attendance with no unexcused absences (cumulative for the Junior and Senior year).
- Work samples/projects/certificates.
- Successful interview skills.
- A senior must have a portfolio containing the above evidence prior to interviewing. If a senior does not meet an indicator but would like the opportunity to interview, a written request must be submitted to the school's certificate committee.

### **Napa Valley Hospitality School**

Napa County Office of Education, Barbara Nemko, Ph.D., Superintendent  
M.L. Oxford, ROP Director, Napa County Regional Occupational Program, 1015 Kaiser Road,  
Napa, CA 94558-6257, 253-6829 or 253-6830

High-quality vocational and technical job training is provided in Napa County by the ROP. This training includes classes for adults seeking new job skills, high-school students searching for a career path, and college-bound students needing courses pertaining to their majors.

By registering for the Work Readiness Certificate of Achievement, you will:

- Be introduced to the Hospitality and Tourism Industry;
- Be introduced to computer software applications used by the Industry;
- Gain knowledge of how the Hospitality and Tourism Industry contributes to the economic prosperity of Napa Valley; and
- Gain knowledge of Napa Valley's Hospitality and Tourism products and services.

The Work Readiness Certificate is the first ever-formal hospitality-training program specific to Napa valley. The Hospitality and Tourism Industry will recognize the Certificate in the hiring of our local workforce. The ROP provides high-quality vocational and technical job training for Napa County residents. ROP courses are offered throughout Napa County. You may be attending classes at a local High School or private business. All adults and high school students who are at least 16 years old are eligible.

High School students interested in a career in the Hospitality and Tourism Industry should contact their counselors or the Career Center Specialist located at their school. For course information, schedules and adult enrollment, call

The Napa Valley Conference and Visitors Bureau (NVCVB) Board formally endorsed the Certificate course at their meeting in June 2000. The Napa Valley Economic Development Corporation (NVEDC) and the NVCVB have worked as close partners on the project. We are pleased to offer this industry-recognized course.

**Sacramento Works/SETA Work Readiness Certificate**

Christine Welsch, Workforce Development Manager

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In fiscal year 2003-2004, Sacramento Works, Inc. placed a high priority on identifying a workforce skills certification system that could be used by employers, educators and workforce development professionals in the region. The board directed staff to work with LEED-Sacramento (Linking Education with Economic Development) on this initiative.

Over the past ten years, LEED-Sacramento, in partnership with CASAS, Lori Strumpf and Associates, and local employers, developed industry-specific Workforce Skills Certification systems for Finance, Healthcare and Construction Industries. LEED Sacramento found that developing locally driven, industry-specific certification systems was very expensive and time intensive and that very few high schools were willing to implement the skills certification systems because of the implementation of academic proficiency testing.

In February 2004, the Sacramento Regional Research Institute finished a study for Sacramento Works, Inc., "An Analysis of Workforce Skill Sets", which identified 15 industries with the greatest potential for economic development in the region and ten (10) workforce skills sets or competencies that were critical for successful job performance in these 15 industries. The project was based on both data analysis and surveys of employers and attempted to look to the future rather than taking into account the current environment. The workforce skills competencies that were identified include:

- Reading Comprehension
- Active Listening
- Speaking
- Writing
- Mathematics
- English Language
- Clerical
- Computer and Electronic
- Customer and Personal Service
- Soft skills/work maturity skills

Using the SRRI study results, LEED, Sacramento and Sacramento Works staff began researching “off-the-shelf” assessment and workplace skills certification systems that would meet the needs of local employers, is fast and easy to implement in the region, and would be cost effective. Partnering with California State University, Sacramento’s Regional and Continuing Education Department, staff has selected the WorkKeys system to pilot in Sacramento.

### **WorkKeys for Sacramento Summary**

WorkKeys is a job skills assessment system that measures real world skills that employers believe are critical to job success. ACT, an international leader in educational assessment and workforce development services, developed WorkKeys.

- WorkKeys has analyzed over 6,000 occupations and developed occupational profiles
- WorkKeys identifies the skill level that students need to reach in order to meet the requirements of these occupations
- The WorkKeys skill scale can be used by individuals, educators and employers to compare an individual’s skill to the skill required for a particular job or occupation.
- WorkKeys measures abilities in three key areas:

#### **Problem Solving**

- Applied Mathematics
- Applied Technology
- Locating Information
- Observation

#### **Interpersonal Skills**

- Teamwork

#### **Communication**

- Listening
  - Reading for Information
  - Writing
- 
- WorkKeys can crosswalk locally developed workplace skills certification systems to WorkKeys assessments.
  - WorkKeys provides both computer based and pencil and paper assessments. Test results can be received immediately if computer based assessment are used.
  - WorkKeys results in a two-tiered skills credential certificate that is easily understood by employers.
  - WorkKeys includes a skill-improvement component. If a student/job seeker wants a higher score, they can access skill training through an education partner or one stop career center.
  - WorkKeys Targets for Instruction booklets can be purchased to develop curriculum locally to meet the skills standards.
  - WorkKeys can be used by one-stop career center business services staff and small businesses to screen applicants for employment.

- WorkKeys training can be purchased to train job profilers to work with large employers to identify skills assessments to be used in hiring
- WorkKeys is cost effective. Computer-based assessment is \$100 per site for connection and \$3.20 per assessment. Readiness assessment is \$2.00.

### **WorkKeys for Sacramento Action Plan**

1. Build Consensus to use WorkKeys as the Regional Workforce Skills Certification system.
  - a. Develop education and marketing tools for WorkKeys
  - b. Identify and educate stakeholders (WIB, LEED, Chambers, school districts, Community College, DHA, SCOE)
  - c. Get commitment from stakeholders to market WorkKeys
  - d. Develop marketing plan
2. Test WorkKeys on several pilot projects
  - a. Construction pilot
  - b. Healthcare One Stop
  - c. Work Scholarship/Raley's pilot
  - d. Testing Events at One Stops or in schools

Test the three most critical assessments, Applied Mathematics, Locating Information, Reading for Information (include Teamwork and Listening for specific pilots).
3. Identify stakeholders at the State level and educate them on WorkKeys system
4. Develop marketing materials and tools to use WorkKeys as an employer or business service.

### **San Diego Workforce Partnership (Corporate Office)**

1551 Fourth Avenue, Suite 600, San Diego, CA 92101, (619) 238-1445, (888) 884-7397, (619) 238-6063 Fax, TDD: (619) 238-7246, [info@workforce.org](mailto:info@workforce.org), [www.sandiegoatwork.com](http://www.sandiegoatwork.com)

Bridging the gap between employer needs and employee skills is a challenge San Diego faces in maintaining a strong regional economy. Employers are always looking for skilled applicants, and job seekers often strive to become more desirable candidates.

From this need grew the Work Readiness Certificate program, which identifies 24 skills required for success on the job, including communication, worksite behavior, teamwork, academics and customer service. Individuals who receive the Work Readiness Certificate have demonstrated their competency in all 24 of the required skills. This guarantee of skill attainment benefits job seekers, employers and education and training providers.

The Work Readiness Certificate provides youth, ages 14-21, with the entry-level, soft skills most often required by employers, including interpersonal communication skills, attendance, professional appearance, problem solving, adaptability, and team work. This certificate defines the standards for entry-level skills in pre-employment, work maturity and employability.

## **Sonoma County Ready by 21 Work-Readiness Certificate**

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Large and small businesses in Sonoma County need to know that incoming employees have the core skills needed to meet developing workforce demands and to ensure worker success in the workplace. Young people need to be assured that they are prepared to enter the workforce upon completing their education. A demand-side led campaign to develop and institute a work-readiness certificate can help ensure that the skills needed for entry into the workplace are delivered and validated for young people, and that business can count on a prepared pool of workers.

The Sonoma County Workforce Investment Board's Youth Education & Employment Services Council has developed a plan to create a work-readiness certificate that can ensure that work-readiness (as defined by business) is a goal within the systems that prepare youth, and that youth can earn a credential that will put them at the "head of the line" when seeking employment in the county. The Work Readiness Certificate will build on and document basic workplace, academic and employability skills that pertain to all industries at the entry level.

A valid, reliable and portable work-readiness certificate will require buy in from across the community. Key stakeholders in Sonoma County include the business community (large and small employers,) labor, education, the workforce development system, the county itself, juvenile justice and child welfare. Each of these stakeholders will be engaged throughout the process in appropriate roles.

A nationally recognized work-readiness skill set will be vetted with employers and industry association members. The Sonoma County Youth Education and Employment Council will create a comprehensive list of individuals and organizations to be surveyed. A survey process will identify the core skills needed for young people to begin work. This process serves a dual purpose. In addition to identifying the core skills, this work will engage employers in the certification process. Awareness and use of the certificate will be enhanced by virtue of early engagement by business.

With the Youth Council's leadership, employers, schools and service providers will work together to develop an assessment and certification process that is valid, reliable and assures

portability across the county. This process will be piloted in several programs or communities, then fine-tuned and promoted widely.

To ensure maximum effectiveness of the work-readiness certificate, a countywide awareness campaign will be launched with appropriate messages for each targeted group; business, educators, students and parents. Window stickers for businesses such as “We hire Work-Ready”; certificates as recognized elements in student portfolios; “Top Ten Skills” posters, bookmarks, and other materials to be used in education and youth development environments will be developed to ensure that work-readiness stays in the forefront of the community’s mind.

### **Ukiah High School**

Dr. Phillip Gary, Principal

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The State of California passed a law a few years ago to require passing the California High School Exit Exam and Algebra I as a prerequisite for receiving a diploma in California. This summer, amid a chorus of concerns about the number of students who had not yet passed the CAHSEE, the State revised its requirement for the Exit Exam, postponing it until the 2006; however, the requirement for Algebra I was not postponed.

In preparation for the unknown impact of the CAHSEE and Algebra I requirement on graduation, the Ukiah Unified School District developed a Work Readiness Certificate as an addition and/or an alternative to the diploma. The Certificate requires four years of math or at least two years with Algebra I and fifteen units of Work Experience with a positive evaluation and letter of recommendation from an employer. These requirements are in addition to the general requirements for graduation. By working with business owners in the community, Ukiah High School developed a program that would have meaning for employers and would enable students to find entry-level jobs in our community.

Classes in the Work Experience program and in English were modified to emphasize practical skills and to reflect a series of competencies developed more than fifteen years ago by a federal commission, the SCANS commission. These skills were developed around six focal areas: communication, social/interpersonal, math, work ethics, problem solving/goal setting and technology. As you can see, the majority of competencies reflect interpersonal relations and not specific job related technical skills.

### **Yolo County Opportunity Council**

Gayle McLevich, Yolo County Office of Education, [mclevich@ycoe.org](mailto:mclevich@ycoe.org).

Jerry Knapp, Printer’s Ink, [Jerry@afes.com](mailto:Jerry@afes.com).

Chris Blackman of Yolo Federal Credit Union, [cblackman@yolofcu.org](mailto:cblackman@yolofcu.org).

Michele Moore, Yolo County Office of Education at [moore@ycoe.org](mailto:moore@ycoe.org).

The Yolo Youth Opportunity Council, the Woodland Chamber of Commerce and the Woodland Joint Unified School District officially adopted the WRC. The WRC provides students an opportunity to demonstrate their work readiness and gives employers an opportunity to provide input on the readiness of a student.



Students must submit an appropriate resume, cover letter and three letters of recommendation. Work ready standards to be verified include: a 90% attendance rate, 2.0 or better Grade Point Average, basic computer skills, basic math and language skills, participation in community activities and an overall positive behavior history. When this evidence is presented, the student is granted an oral interview from the business/education community; including Chamber members. When all of the above are met, they are awarded the Work Ready Certificate.

Most schools recommend that junior and senior students should apply. If a student is 16 years or older, though, they can apply, especially if they are looking to get a work permit and begin work. The Work Ready Certificate does not replace a student's diploma, but enhances their personal portfolios. Six students receive the certificate in 2002, 25 in 2003 and 76 in 2004, with someone receiving the WRC in all five school districts. There are approximately 50 businesses throughout Yolo County that have committed their support for the WRC.

## **Progress Report Return on Investment**

### **Discussion:**

California Workforce Investment Board (State Board) members will hear information from a preliminary investigation of return on investment (ROI) concepts as they pertain to the workforce investment community, and discuss next steps.

### **Background:**

At the September 29, 2004 State Board meeting, discussion ensued regarding a proposal by the California Workforce Association (CWA) to develop return on investment tools to “tell the story” of the economic value of our publicly funded workforce investment system. The CWA communicated the need for California to identify the most relevant and consistent approach to assessing the ROI for its public workforce programs. Subsequently, the CWA provided a proposal to develop a specific ROI approach into a tool for use by local boards. Staff began an informal preliminary investigation of return on investment, which includes a review of about 10 studies, and preliminary discussions with local workforce investment area staff, experts in ROI methodologies, academicians, the CWA and interested State staff from the Employment Development Department and public higher education entities.

Workforce community interest in the use of ROI techniques as a performance measure dates back to enactment of the Job Training Partnership Act of 1982. Return on investment studies that assess the economic impact or net benefit of federal Workforce Investment Act funded programs are gaining attention among workforce investment boards, policy makers, and workforce practitioners. Various approaches to assessing return on investment (ROI) include evaluation models using cost-benefit analysis and quasi-experimental methodologies, Input-Output model multipliers to estimate employment and income effects, and ad-hoc ROI approaches to serve different purposes. Interest in ROI models derives from thinking that information from these calculations can inform efforts by public- or private sector organizations to garner support for local programs.

Given the various ROI methodologies and related strengths and weaknesses of these methodologies in assessing ROI in workforce training and employment, it is important to identify clearly what each workforce investment area wants to know and whether certain ROI approaches support that purpose. While workforce investment boards can use ROI study results to promote the income and employment effects of workforce and training programs, certain ROI approaches may have limited value for day-to-day evaluation of public workforce programs for the purpose of program improvement.

It is clear that local boards seek approaches that go beyond traditional performance measures to describe the benefits of their programs. Further investigation into the various strengths and weaknesses of ROI as a performance measure is necessary. Many issues need resolution before one can use the techniques for performance or accountability purposes. Having said this, we believe many questions remain regarding the use of the specific methods for calculating ROI.

Specifically,

- Do we have a useful operational definition of ROI so we can focus on developing appropriate methodologies?
- Can we reduce performance of multiple objective programs with multiple outcomes to a single summary measure such as ROI?
- Do the results of ROI calculations provide information useful to the workforce development system as it attempts to better target its activities?
- Does an ROI measure support continuous improvement strategies?
- Can the regional input-output modeling approach provide consistent and relevant information about the economic development and growth effects of workforce development programs?
- Do any ROI models provide consistent and relevant information about the results of workforce development programs that highlight the value, or net benefits, of these programs?
- Do local or state sources produce the data necessary to support appropriate Input-Output modeling or cost-benefit analysis?

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**Other Business that May Come Before The Board**